



Grant Thornton

Financial statements and Independent Auditors' Report

Minda Industries Vietnam Company Limited

For the year ended 31 March 2023

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Report of the Board of Directors

The Board of Directors submits its report together with the audited financial statements of Minda Industries Vietnam Company Limited ("the Company") as at 31 March 2023 and for the year then ended.

Results of operations

The results of the Company's operations for the year ended 31 March 2023 are presented in the statement of income.

Auditors

The Company's financial statements for the year ended 31 March 2023 have been audited by Grant Thornton (Vietnam) Limited.

Board of Directors

The members of the Board of Management and Board of Directors during the year and to the date of this report were:

Board of Management:	Position	Appointed on
Mr. Praveen Kumar Juneja	Chairman	30 July 2012
Board of Directors:	Position	Appointed on
Mr. Mahanand Mohanrao Shelke	General Director	26 June 2018

The Board of Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for ensuring the financial statements are properly drawn up to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the results of its operations and its cash flows for the year then ended. In preparing the financial statements, the Board of Directors is required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- comply with the disclosure requirements of Vietnamese Accounting Standards, Vietnamese Accounting System for Enterprises and relevant statutory requirements on preparation and presentation of the financial statements;
- maintain adequate accounting records and an effective system of internal control;
- prepare the financial statements on a going-concern basis unless it is inappropriate to assume that the Company will continue its operations in the foreseeable future; and
- control and direct effectively the Company in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.

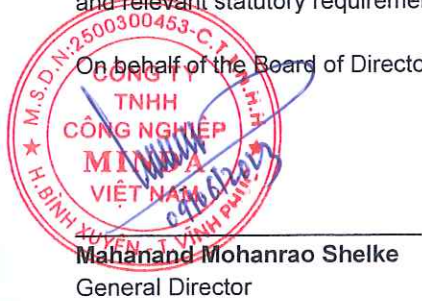
The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing the financial statements.

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying Balance Sheet, Statement of Income and Statement of Cash Flows, together with the notes thereto, have been properly drawn up and give a true and fair view of the financial position of the Company as at 31 March 2023 and the results of its operations and cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Enterprises and relevant statutory requirements on preparation and presentation of the financial statements.

On behalf of the Board of Directors,



Mahand Mohanrao Shelke
General Director

Vinh Phuc, Vietnam
9 June 2023

Independent Auditors' Report

on the financial statements of
Minda Industries Vietnam Company Limited
for the year ended 31 March 2023

Grant Thornton (Vietnam) Limited
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No. 22-11-039

To: The Board of Directors of Minda Industries Vietnam Company Limited

We have audited the accompanying financial statements of Minda Industries Vietnam Company Limited ("the Company"), prepared on 9 June 2023, which comprise the balance sheet as at 31 March 2023 and the statement of income, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages from 5 to 22.

Board of Directors' Responsibility for the Financial Statements

Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Enterprises and relevant statutory requirements on preparation and presentation of the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditors' Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Minda Industries Vietnam Company Limited as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Enterprises and relevant statutory requirements on preparation and presentation of the financial statements.



GRANT THORNTON (VIETNAM) LIMITED


Nguyễn Tuấn Nam

Auditor's Practicing Certificate No. 0808-2023-068-1

Deputy General Director



Bui Tran Phuong Minh

Auditor's Practicing Certificate No. 2595-2023-068-1

Auditor

Hanoi, Vietnam

9 June 2023

Balance sheet

as at 31 March 2023

	Notes	Code	31 March 2023 VND	31 March 2022 VND
ASSETS				
Current assets		100	175,186,433,410	102,673,056,885
Cash and cash equivalents	5	110	32,458,031,996	17,162,579,280
Cash		111	5,458,031,996	2,962,579,280
Cash equivalents		112	27,000,000,000	14,200,000,000
Short-term receivables		130	100,648,931,412	60,127,183,051
Short-term trade accounts receivable	6	131	86,869,436,487	58,491,065,400
Short-term prepayments to suppliers	7	132	12,897,192,041	210,141,575
Other short-term receivables		136	882,302,884	1,425,976,076
Inventories	8	140	32,638,480,407	23,382,316,049
Inventories		141	33,251,021,325	23,811,868,974
Provision for decline in value of inventories		149	(612,540,918)	(429,552,925)
Other current assets		150	9,440,989,595	2,000,978,505
Short-term prepaid expenses	9	151	8,426,086,771	1,886,623,494
Value added tax to be reclaimed		152	77,229,267	-
Taxes and amounts receivable from the State Budget	14	153	937,673,557	114,355,011
Non-current assets		200	96,715,798,005	29,756,168,694
Fixed assets		220	26,863,795,297	29,601,119,932
Tangible fixed assets	10	221	21,085,851,408	23,196,483,145
- Historical cost		222	65,038,740,546	64,111,071,837
- Accumulated depreciation		223	(43,952,889,138)	(40,914,588,692)
Intangible fixed assets	11	227	5,777,943,889	6,404,636,787
- Historical cost		228	12,065,677,157	12,065,677,157
- Accumulated amortisation		229	(6,287,733,268)	(5,661,040,370)
Long-term in progress assets		240	69,852,002,708	-
Long-term construction in progress	12	242	69,852,002,708	-
Other non-current assets		260	-	155,048,762
Long-term prepaid expenses	9	261	-	155,048,762
Total assets		270	271,902,231,415	132,429,225,579

Balance sheet (continued)

as at 31 March 2023

	Notes	Code	31 March 2023 VND	31 March 2022 VND
RESOURCES				
Liabilities		300	92,827,660,766	44,310,020,722
Current liabilities		310	50,123,650,766	44,310,020,722
Short-term trade accounts payable	13	311	35,813,851,584	30,192,218,607
Short-term advances from customers		312	4,779,200,000	3,757,139,547
Taxes and amounts payable to the State budget	14	313	4,561,847,530	4,916,484,275
Payable to employees		314	10,043,166	1,258,189
Short-term accrued expenses	15	315	4,958,708,486	5,411,058,304
Other short-term payables		319	-	31,861,800
Long term borrowings and debts		330	42,704,010,000	-
Long-term borrowings and finance lease obligations	16	338	42,704,010,000	-
Owner's equity		400	179,074,570,649	88,119,204,857
Capital sources and funds		410	179,074,570,649	88,119,204,857
Paid-in capital	17, 18	411	28,818,362,500	10,082,362,500
Retained earnings	17	421	150,256,208,149	78,036,842,357
- Cumulative undistributed profits at end of the previous year		421a	59,300,842,357	34,927,883,586
- Undistributed profits of the current year		421b	90,955,365,792	43,108,958,771
Total resources		440	271,902,231,415	132,429,225,579



Mahanand Mohanrao Shelke
General Director

Nguyen Thi Nhu Ngoc
Preparer/Chief Accountant

Statement of income

for the year ended 31 March 2023

	Notes	Code	For the year ended 31 March 2023 VND	For the year ended 31 March 2022 VND
Gross sales	20	01	433,172,898,557	241,153,764,639
Less deductions:		02	(5,868,817,172)	295,178,792
Net sales		10	427,304,081,385	241,448,943,431
Cost of sales	21,26	11	(275,983,547,648)	(164,486,526,952)
Gross profit		20	151,320,533,737	76,962,416,479
Income from financial activities	22	21	3,929,683,903	555,000,884
Expenses from financial activities	23	22	(4,569,373,616)	(581,412,906)
Selling expenses	24,26	25	(15,500,820,699)	(7,721,433,101)
General and administrative expenses	25,26	26	(20,740,075,143)	(15,459,984,236)
Operating profit		30	114,439,948,182	53,754,587,120
Other income		31	48,684,351	496,654,203
Other expenses		32	(230,124,898)	(44,664,246)
(Loss)/profit from other activities		40	(181,440,547)	451,989,957
Net accounting profit before tax	27	50	114,258,507,635	54,206,577,077
Current corporate income tax expense	27	51	(23,303,141,843)	(11,097,618,306)
Net profit after tax	17	60	90,955,365,792	43,108,958,771



Mahand Mohanrao Shelke
General Director

Nguyen Thi Nhu Ngoc
Preparer/Chief Accountant

Statement of cash flows

for the year ended 31 March 2023 (indirect method)

	Notes	Code	For the year ended 31 March 2023 VND	For the year ended 31 March 2022 VND
Cash flows from operating activities				
Profit before tax		01	114,258,507,635	54,206,577,077
Adjustments for:				
Depreciation and amortisation		02	3,664,993,344	4,220,287,451
Change in provisions		03	182,987,993	(78,216,688)
Unrealised losses from foreign currency translations		04	2,054,509,155	179,741,037
Gains on investing activities		05	(1,375,159,968)	(483,583,368)
Operating profit before adjustments to working capital		08	118,785,838,159	58,044,805,509
Changes in accounts receivable		09	(42,634,279,630)	(7,452,032,444)
Changes in inventory		10	(9,439,152,351)	(9,701,991,305)
Changes in accounts payable		11	5,132,989,657	10,334,209,934
Changes in prepaid expenses		12	(6,384,414,515)	(1,489,290,405)
Corporate income tax paid		15	(23,369,199,889)	(8,656,350,787)
Cash generated from operating activities		20	42,091,781,431	41,079,350,502
Cash flows from investing activities				
Acquisitions of fixed assets and construction in progress and other non-current assets		21	(70,779,671,569)	(7,523,251,880)
Dividends, interest and other investment income		27	1,375,159,968	483,583,368
Net cash flows used in investing activities		30	(69,404,511,601)	(7,039,668,512)
Cash flows from financing activities				
Loan proceeds		33	42,704,010,000	-
Payments of dividends to investors		36	-	(32,766,931,835)
Net cash flows used in financing activities		40	42,704,010,000	(32,766,931,835)
Net increase in cash and cash equivalents		50	15,391,279,830	1,272,750,155
Cash and cash equivalents at beginning of the year	5	60	17,162,579,280	15,964,546,824
Effects of changes in foreign exchange rates		61	(95,827,114)	(74,717,699)
Cash and cash equivalents at end of the year	5	70	32,458,031,996	17,162,579,280



Mahanand Mohanrao Shelke
General Director

Nguyen Thi Nhu Ngoc
Preparer/Chief Accountant

Notes to the financial statements

1. Nature of operations

Minda Industries Vietnam Company Limited. ("the Company") is a sole member limited liability company established in Vietnam in accordance with Investment Certificate No. 192043000098 dated 28 May 2008 issued by the Vinh Phuc Industrial Zones Authority and Business Registration Certificate No. 2500300453 dated 28 May 2008 issued by Department of Planning and Investment of Vinh Phuc Province. Then, the Company received subsequent amendments of Investment Registration Certificate and Enterprise Registration Certificate with the latest being the 5th amended Investment Registration Certificate dated 1 August 2022 and the latest being the 9th amended Enterprise Registration Certificate dated 22 July 2022 to change its authorised investment and chartered capitals.

The Investment Certificate is valid for 49 years from 28 May 2008.

The Company's head office and factory are located at Binh Xuyen Industrial Zone, Binh Xuyen District, Vinh Phuc Province, Vietnam.

The Company's principal activities are to (a) manufacture automotive components and parts for automobiles and motorcycles ("Activity (a)"); and (b) trade automotive components and parts for automobiles and motorcycles; trade raw materials for manufacturing automotive components and parts for automobiles and motorcycles; and trade machines and tools for manufacturing parts for automobiles and motorcycles ("Activity (b)").

The authorised investment and chartered capitals of the Company are VND140,000,000,000 and VND28,200,000,000 respectively.

As at 31 March 2023, the Company had 178 employees (31 March 2022: 143 employees).

2. Fiscal year and accounting currency

2.1 Fiscal year

The Company's fiscal year starts on 1 April and ends on 31 March.

2.2 Accounting currency

The financial statements are prepared in Vietnamese Dong ("VND").

3. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Enterprises, and relevant statutory requirements on preparation and presentation of the financial statements.

The financial statements are not intended to present the financial position and results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than the SR of Vietnam. Furthermore their use is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices.

4. Accounting Policies

4.1 Foreign exchange

Transactions arising in currencies other than the reporting currency of VND are translated at the prevailing exchange rates at transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are respectively translated at foreign currency buying rate and selling rate at the balance sheet date as quoted by commercial banks where the Company regularly trades. The foreign currency cash in banks at the balance sheet date are translated at buying rate of the bank where the Company opens the foreign currency account. Foreign exchange differences arising on translation are recognized as income or expense in the statement of operations.

4.2 Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, Vietnamese Accounting System for Enterprises and prevailing accounting regulations in Vietnam requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and cash in banks as well as short-term highly liquid investments and bank deposits with maturity terms of not more than 3 months.

4.4 Accounts receivable

Receivables are measured at their net recoverable amount after provision for doubtful debts. The provision for doubtful debts is made based on the Management's assessment on indication that they might not be recoverable. Doubtful debts are written off when they are irrecoverable.

4.5 Inventories

Inventories, including work-in-process, are valued at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined primarily on the basis of weighted average cost. For processed inventories, cost includes the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Net realisable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution after making provision for damaged, obsolete and slow-moving items. An inventories provision is made for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

The Company applies the periodical method of accounting for inventory.

4.6 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of income.

Cost

The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. The initial cost of tangible fixed assets with attached equipment and spare parts for replacement is the total directly attributable costs of bringing the asset to its working condition for its intended use less the value of equipment and spare parts for replacement. Expenditures incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to the statement of income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of a tangible fixed asset beyond its originally assessed standard of performance, the expenditures are capitalised as an additional cost of tangible fixed assets. The initial cost of tangible fixed assets transferred from construction in progress includes installation and trial operation costs less the value of products from trial production.

Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

	Years
Buildings and structures	5 - 25
Machinery and equipment	4 - 8
Vehicles	8
Furniture and equipment	4

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of tangible fixed assets.

4.7 Operating leases

Leases wherein substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rental payments applicable to such leases are recorded in the results of operations as incurred.

4.8 Intangible fixed assets

Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial costs of land use rights comprise prepaid land rentals for the leased land with the Land Use Right Certificate issued by the Vinh Phuc's People Committee. Amortisation is provided on a straight-line basis over 47 years.

Computer software

The cost of computer software which is not an integral part of the related hardware is amortised on a straight-line basis over 4 years.

4.9 Prepaid expenses

Tools and instruments

Tools and instruments included assets held for use by the Company in the normal course of business whose costs of individual items are less than VND 30 million and therefore not qualified for recognition as fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 1 to 3 years.

4.10 Payables and accrued expenses

Payables and accruals are recognised as amounts to be paid in the future for goods and services received, whether or not billed to the Company.

4.11 Borrowing costs

Borrowing costs comprising interest and related costs are recognised as an expense in the period in which they are incurred (even period of construction is less than 12 months), except for borrowing costs relating to the acquisition of tangible fixed assets that are incurred during the period of construction and installation of the assets, which are capitalised as a cost of the related assets.

4.12 Provisions for liabilities

Provisions for liabilities are recognised when the Company has a present obligation (legal or constructive) as a result from a past event and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's reliable estimated of the expenditure required to settle the obligation at the balance sheet date. If the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation.

4.13 Employee benefits

The Company does not participate in any defined benefit plans except the compulsory defined contribution plans required by the Government of Vietnam pursuant to current Vietnamese regulations on labour, employment and relevant areas, which have been managed by Vietnam Social Insurance through its local agencies. The compulsory defined contribution plans include social insurance, health insurance and unemployment insurance which should be paid to the local social insurance agency by the Company for the Company's obligations, and on behalf of participants for participants' obligations.

Participants, the calculations, declarations and payments for obligations for both the Company and participants are based on the prevailing regulations specified to each period of time.

4.14 Dividend distribution

Dividend of the Company is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's investors.

4.15 Revenue

Goods sold

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding the ultimate receipt of the proceeds, the reasonable estimation of the associated costs of the sale or the possibility of the return of the goods.

Services rendered

Revenue from services rendered is recognised in the statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

Interest income

Interest income is recognised in the statement of income on a time-proportion basis using the effective interest method.

4.16 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of sales of products, goods and services are recorded as deduction of revenue of the period.

4.17 Current and deferred income tax

Liabilities and/or Current income tax assets comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of income.

Deferred income tax is calculated using the liability method base on temporary differences. This method compare the carrying amounts of assets and liabilities in the balance sheet with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided in full. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against.

Deferred income tax assets and liabilities is determined, without discounting, at the tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Most of changes in deferred income tax assets or liabilities are recognised as a component of tax expense in the statement of income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

4.18 Related parties

Related companies include the investor and the ultimate parent company and its affiliates and associates. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

4.19 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

4.20 Subsequent events

Post-year-end events that provide additional information about a company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

4.21 Classification of assets and liabilities as current or non-current

Assets and liabilities are classified as current or non-current on the balance sheet based on their remaining term of such assets and liabilities at the balance sheet date, except the classification is pre-defined and/or specified in Vietnamese Accounting System for Enterprises.

4.22 Off-balance sheet items

Amounts which are defined as off-balance sheet items under the Vietnamese Accounting System are disclosed in the relevant notes to these financial statements.

5. Cash and cash equivalents

	31 March 2023 VND	31 March 2022 VND
Cash		
Cash on hand	71,809,110	121,288,572
Cash in banks	5,386,222,886	2,841,290,708
	5,458,031,996	2,962,579,280
Cash equivalents		
Term bank deposits within three (3) months	27,000,000,000	14,200,000,000
	32,458,031,996	17,162,579,280

6. Trade accounts receivable

	31 March 2023 VND	31 March 2022 VND
Short-term trade receivables		
Piaggio Vietnam Co., Ltd	42,414,918,123	45,784,173,268
Sumi-Thai International Limited	1,512,794,358	1,934,107,637
Yamaha Motor Vietnam Ltd	2,628,997,730	3,297,468,414
Honda Vietnam Co.,Ltd	1,783,596,331	1,466,840,824
Piaggio & C. Spa Co., Ltd	34,200,055,046	741,094,226
Kawasaki Heavy Industries	-	1,358,129,438
Others	3,062,272,500	1,585,955,680
	85,602,634,088	56,167,769,487
Trade accounts receivable from related parties (Note 28)		
Minda Industries Limited - Pune	144,168,525	236,916,950
PT Minda Asean Automotive	126,633,283	194,927,603
PT Minda Trading	996,000,591	1,891,451,360
	1,266,802,399	2,323,295,913
	86,869,436,487	58,491,065,400

7. Short-term prepayments to suppliers

	31 March 2023 VND	31 March 2022 VND
Short-term prepayments to related parties (Note 28)		
Minda Infrastructure LLP	2,329,958,067	-
	2,329,958,067	-
Short-term prepayment to third parties		
Premier Engineering (HK) Co., Ltd	7,556,817,698	-
Others	3,010,416,276	210,141,575
	12,897,192,041	210,141,575

8. Inventories

	31 March 2023		31 March 2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods-in-transit	5,404,964,467	-	4,715,491,894	-
Raw materials	20,304,332,587	(612,540,918)	12,201,943,722	(429,552,925)
Tools and supplies	931,926,942	-	5,254,817,675	-
Finished goods	6,609,797,329	-	1,336,591,922	-
Merchandises	-	-	303,023,761	-
	33,251,021,325	(612,540,918)	23,811,868,974	(429,552,925)

Included in raw materials as at 31 March 2023 was an amount of VND612,540,918 (31 March 2022: VND429,552,925) which had been provided for obsolete inventories.

The details of the movements in the provision for diminution in value of inventories during the period are as follows:

	31 March 2023 VND	31 March 2022 VND
Opening balance	429,552,925	65,357,222
Increase in provision during the period	612,540,918	429,552,925
Reversal of provision	(429,552,925)	(65,357,222)
Closing balance	612,540,918	429,552,925

9. Prepaid expenses

	31 March 2023 VND	31 March 2022 VND
Short-term		
Mould expenses	7,346,630,119	1,484,862,924
Others	1,079,456,652	401,760,570
	8,426,086,771	1,886,623,494
Long-term		
Tool and suppliers	-	59,129,140
Others	-	95,919,622
	-	155,048,762
	8,426,086,771	2,041,672,256

10. Tangible fixed assets

	Building and structure VND	Machinery and equipment VND	Vehicles VND	Furniture and equipment VND	Total VND
Cost					
1 April 2022	21,632,405,266	39,371,393,303	1,837,942,363	1,269,330,905	64,111,071,837
Acquisitions	-	892,468,709	-	35,200,000	927,668,709
31 March 2023	21,632,405,266	40,263,862,012	1,837,942,363	1,304,530,905	65,038,740,546
Accumulated depreciation					
1 April 2022	(10,888,379,699)	(27,433,010,613)	(1,360,040,708)	(1,233,157,672)	(40,914,588,692)
Charge for the year	(930,455,245)	(1,865,514,873)	(170,957,095)	(71,373,233)	(3,038,300,446)
31 March 2023	(11,818,834,944)	(29,298,525,486)	(1,530,997,803)	(1,304,530,905)	(43,952,889,138)
Carrying amount					
1 April 2022	10,744,025,567	11,938,382,690	477,901,655	36,173,233	23,196,483,145
31 March 2023	9,813,570,322	10,965,336,526	306,944,560	-	21,085,851,408

Included in the costs of tangible fixed assets were assets costing approximately VND27,431,145,219 which were fully depreciated as at 31 March 2023 (31 March 2022: VND26,278,157,887) but are still in active use.

11. Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Cost			
1 April 2022	8,418,360,183	3,647,316,974	12,065,677,157
31 March 2023	8,418,360,183	3,647,316,974	12,065,677,157
Accumulated amortisation			
1 April 2022	(2,461,509,819)	(3,199,530,551)	(5,661,040,370)
Charge for the year	(178,906,475)	(447,786,423)	(626,692,898)
31 March 2023	(2,640,416,294)	(3,647,316,974)	(6,287,733,268)
Carrying amount			
1 April 2022	5,956,850,364	447,786,423	6,404,636,787
31 March 2023	5,777,943,889	-	5,777,943,889

Included in the costs of intangible fixed assets were assets costing approximately VND3,647,316,975 which were fully depreciated as at 31 March 2023 (31 March 2022: VND336,538,257) but are still in active use.

12. Long-term construction in progress

	Year ended 31 March 2023	Year ended 31 March 2022
	VND	VND
Opening balance	-	429,015,000
Increase	69,852,002,708	-
Transferred to tangible fixed assets	-	(429,015,000)
Closing balance	69,852,002,708	-
In which:		
Project of factory production light bulb components (*)	69,852,002,708	-

(*) Project of factory production light bulb components is under construction at the factory located in Binh Xuyen Industrial Zone, Binh Xuyen District, Vinh Phuc Province, Vietnam.

13. Trade accounts payable

	31 March 2023	31 March 2022
	Amount VND	Amount VND
Short-term trade payables		
Hi-Lex Vietnam Co., Ltd	5,260,250,600	4,748,509,854
Viet An Co., Ltd	2,319,424,508	1,622,084,640
3H Plastic Joint Stock Company	626,402,092	366,533,085
Camex Co., Ltd	1,045,634,425	269,042,180
Suprajit Engineering Limited	1,249,035,624	1,686,260,893
FC Motor Wiring System Company Limited	913,185,240	609,147,385
Zion Plast Co., Ltd	932,439,534	592,979,616
Hiep Phuoc Thanh Production Co., Ltd	3,809,420,193	2,126,533,854
PT Enocco Vitaletchno Indonesia	1,252,006,528	-
Inyantra Technologies Private Limited	1,785,050,950	-
Others	6,214,593,600	3,725,561,749
	25,407,443,294	15,746,653,256
Trade accounts payable to related parties (Note 28)		
Minda Industries Limited - Rinder Division	16,127,698	214,224,354
Minda Industries Limited - Pune	2,224,212,531	223,731,891
Minda Industries Limited - Manesar	4,734,167,631	5,671,360,004
Minda Industries Limited - Light	-	142,186,994
Minda Industries Corporate	745,305,037	-
PT Minda Asean Automotive	2,686,595,393	8,194,062,108
	10,406,408,290	14,445,565,351
	35,813,851,584	30,192,218,607

14. Taxes and amounts receivables/ payable to the State Budget

	31 March 2022	During the year	31 March 2023
	Amount VND	Increase VND	Amount VND
Receivables			
Value added tax	-	933,869,660	933,869,660
Custom duty tax	114,355,011	-	-
Personal income tax	-	3,803,897	3,803,897
	114,355,011	937,673,557	937,673,557

	31 March 2022		During the year	31 March 2023
	Amount	Increase	Paid/Offset	Amount
	VND	VND	VND	VND
Payables				
Value added tax	448,770,175	37,429,818,668	(37,878,588,843)	-
Personal income tax	102,495,012	986,760,298	(1,089,255,310)	-
Foreign contractor tax	193,157,319	3,023,414,402	(2,760,727,914)	455,843,807
Corporate income tax	4,172,061,769	23,303,141,843	(23,369,199,889)	4,106,003,723
	4,916,484,275	64,743,135,211	(65,097,771,956)	4,561,847,530

15. Accrued expenses

	31 March 2023	31 March 2022
	VND	VND
Royalty fee	-	1,907,945,886
MVCL/EXP/22/50 fee	1,154,915,548	1,154,915,548
Others	3,803,792,938	2,348,196,870
	4,958,708,486	5,411,058,304

16. Borrowings

	31 March 2023	During the year	31 March 2022
	VND	Increase	VND
	VND	VND	VND
HSBC Bank (Vietnam) Ltd (i)	42,704,010,000	42,704,010,000	-

- (i) Borrowings from HSBC Bank (Vietnam) Ltd under Loan Contract No. VHN 165908/CM dated 24 August 2022 with a maximum credit limit of VND58,185,000,000, for the purpose of financing investment in production projects bulb components at the factory located in Binh Xuyen Industrial Park, including construction and equipment costs. The time limit is until 12 March 2025. The collateral is all the machinery and equipment of the project. These loans bear interest rates from 6.3%/year to 9.04%/year.

17. Owner's equity

	Paid-in capital	Retained earnings	Total
	VND	VND	VND
Balance, 1 April 2021	10,082,362,500	67,694,815,421	77,777,177,921
Net profit	-	43,108,958,771	43,108,958,771
Dividend paid	-	(32,766,931,835)	(32,766,931,835)
Balance, 31 March 2022	10,082,362,500	78,036,842,357	88,119,204,857
Balance, 1 April 2022	10,082,362,500	78,036,842,357	88,119,204,857
Net profit	-	90,955,365,792	90,955,365,792
Transfer retained earnings to capital (*)	18,736,000,000	(18,736,000,000)	-
Balance, 31 March 2023	28,818,362,500	150,256,208,149	179,074,570,649

(*) During the year, capital was contributed by undistributed after-tax profits under the Decision of the investor dated 8 July 2022.

18. Paid-in capital

The Company's authorised and contributed chartered capitals are:

Investor	Form of contribution	Per Investment Certificate	Contributed as at
		VND	31 March 2023
		%	VND
SAM Global Pte. Ltd	Cash	28,200,000,000	100
			28,818,362,500

SAM Global Pte. Ltd, the investor, is incorporated in Singapore.

Movements of contributed charter capital during the year are as follows:

	31 March 2023	31 March 2022
	VND	VND
Opening balance	10,082,362,500	10,082,362,500
Contribution by transferring from undistributed after-tax profits	18,736,000,000	-
Closing balance	28,818,362,500	10,082,362,500

19. Off-balance sheet items

Cash and cash equivalents at 31 March included foreign currencies other than VND, as follows:

	31 March 2023	31 March 2022
United States Dollars ("USD")	12,191	20,997

20. Revenue

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Sales from manufacturing activities	251,197,977,365	179,544,620,339
Sales from trading activities	179,690,997,924	61,274,869,049
Sales from provide services	2,283,923,268	334,275,251
	433,172,898,557	241,153,764,639

21. Cost of sales

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Cost of manufacturing activities	159,247,542,522	122,464,068,005
Cost of trading activities	114,484,907,188	41,794,455,975
Cost of services rendered	2,251,097,938	228,002,972
	275,983,547,648	164,486,526,952

22. Income from financial activities

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Interest income from deposits	1,375,159,968	483,583,368
Realised gains from foreign exchange differences	2,554,523,935	71,417,516
	3,929,683,903	555,000,884

23. Expenses from financial activities

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Realised losses from foreign exchange differences	2,514,864,461	401,671,869
Unrealised losses from foreign exchange differences	2,054,509,155	179,741,037
	4,569,373,616	581,412,906

24. Selling expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Forwarding expenses	2,801,798,214	1,471,726,376
Royalty fee (*)	11,557,737,762	5,966,912,601
Outside service costs	30,692,526	21,863,940
Others	1,110,592,197	260,930,184
	15,500,820,699	7,721,433,101

(*) On 1 April 2019, the Company signed the Technical License Agreement with Minda Industries Limited ("the Transferors"), the Affiliate, which shall remain in full force till it is mutually terminated by both the parties. Under the Agreement, the Company is liable to pay royalty fees to the Affiliate equaling to five percent (5%) of the quarterly sales values of products (excluding VAT).

25. General and administrative expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Labour costs	8,924,698,332	8,248,821,460
Depreciation and amortisation	448,517,748	1,696,631,528
Service fee	144,932,952	611,236,366
Outside service costs	11,221,926,111	4,903,294,882
	20,740,075,143	15,459,984,236

26. Production and operation costs by element

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Materials costs	229,846,744,328	122,226,563,284
Merchandise costs	114,484,907,188	41,794,455,975
Labour costs	30,785,925,386	22,846,009,534
Depreciation and amortisation	3,664,993,344	4,220,287,451
Outside services expenses	47,756,290,796	38,293,877,687
	426,538,861,042	229,381,193,931

27. Corporate income tax

Applicable tax rates

Under the terms of its Investment Certificate, for Activity (a) as described in Note 1 to financial statements, the Company has an obligation to pay the government corporate income tax ("CIT") at the rate of 15% of taxable profits in 12 years from the first year it operates, and 25% in succeeding years. The Company is allowed to be exempt from CIT for three (3) years starting from the first year it generates a taxable profit (2009 is first taxable profit year), and entitled to a 50% reduction in CIT for the seven (7) succeeding years.

Under the terms of its Investment Certificate, for Activity (b) as described in Note 1 to financial statements, the Company has an obligation to pay the Government CIT at the rate of 25% for the whole period of Company's operations.

According to the Amended CIT Law No. 32/2013/QH13 dated 19 June 2013, the standard CIT rate is changed from 25% to 22% for the years 2014 and 2015, and 20% for succeeding years.

Current tax expense

The breakdown of corporate income tax and expenses recognised in Statement of income are as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
	VND	VND
Profit before tax	114,258,507,635	54,206,577,077
<i>Adjustments from accounting profit to taxable income</i>		
Unrealised foreign exchange (gains)/losses	1,307,810,570	106,526,482
Realisation of prior year's unrealised foreign exchange (losses)/gains	(106,526,482)	118,658,653
Accrued expenses not paid in the period	-	1,154,915,548
Non-deductible expenses	430,857,480	364,195,703
Provisions for slow moving items	182,987,993	(442,412,391)
Provision of sale deductions	-	(20,369,541)
Taxable income	116,073,637,196	55,488,091,531
CIT expense at 20%	23,214,727,439	11,097,618,306
Current corporate income tax expenses	23,214,727,439	11,097,618,306
Additional CIT penalty	88,414,404	-
Current corporate income tax expenses	23,303,141,843	11,097,618,306
Corporate income tax payable at beginning of the year	4,172,061,769	1,730,794,250
Corporate income tax paid during the year	(23,369,199,889)	(8,656,350,787)
Corporate income tax payable at end of the year (Note 14)	4,106,003,723	4,172,061,769

The calculation of current CIT expenses is subject to the review and approval of the local tax authorities.

The deferred taxes have not been recorded in the balance sheet as at 31 March 2023 because the Company has no significant temporary differences as at 31 March 2023.

28. Related party transaction and balances

List of related parties of the Company during the year is as follows:

No	Related party	Relationship
1	SAM Global Pte. Ltd	Investor
2	Minda Industries Limited - Manesar	Affiliate
3	Minda Industries Limited - HBA	Affiliate
4	Minda Industries Corporate	Affiliate
5	Minda Industries Limited - Rinder Division	Affiliate
6	PT Minda Trading	Affiliate
7	Minda Industries Limited - Pune	Affiliate
8	PT Minda Asean Automotive	Affiliate
9	Minda Infrastructure LLP	Affiliate
10	Mr. Praveen Kumar Juneja	Chairman
11	Mr. Mahanand Mohanrao Shelke	General Director

During the period, the following transactions with related parties were recognised:

Related party	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
		VND	VND
Minda Industries Limited -	Purchases of raw materials	355,792,429	14,013,751
Rinder Division	Designing Fee	-	2,050,200
	Service (Design & Development Cost of GT Compact)	8,861,783,085	231,693,000
	GT Compact Development Cost	-	6,184,970,784
	Service (Design & Development Cost of VMEP)	-	225,499,320

Related party	Nature of transaction	For the year ended	For the year ended
		31 March 2023	31 March 2022
		VND	VND
Minda Industries Limited - Pune	Purchases of raw materials	536,447,475	2,304,157,851
	Sales of goods	9,982,460,553	350,309,995
Minda Industries Limited - Manesar	Purchases of raw materials	18,120,512,200	14,012,923,921
	Royalty fee	11,709,458,992	5,869,519,085
	Purchase of fixed assets	3,135,755,315	-
	Compensation from detected goods	-	303,951,645
	Tool & Dies (R&D)	-	5,041,399,616
	Service (Design & Development Cost of GT Compact)	-	1,261,778,840
	Service (Insurance)	17,728,980	17,632,480
	Sales of goods	331,232,235	49,048,850
Minda Industries Limited - Light	Tool & Dies (R&D)	-	861,516,820
	Service	2,329,958,067	229,172,720
PT Minda Asean Automotive	Purchases of raw materials	54,934,794,488	31,267,005,006
	Compensation from detected goods	-	33,674,985
	Fixed asset	1,352,477,700	287,371,871
	Sale of Goods	1,607,032,059	1,517,199,331
	Service (Design & Development Cost of GT Compact)	-	2,388,452,171
PT Minda Trading	Sales of goods	12,623,550,469	8,845,569,753
	Purchases of raw materials	-	109,531,506
Minda Industries Limited Corporate	Management Fee	2,330,420,953	1,173,903,771
	Service for Staff training fee	10,040,500	-
	SAP License	930,761,371	557,365,914
Minda Industries Limited - HBA	Purchases of raw materials	315,872,982	436,392,165
Minda Infrastructure LLP	Construction supervision consulting service fee	2,329,958,067	-

At 31 March, the following balances were outstanding with related parties:

Related parties	31 March 2023		
	Prepayment	Receivables	Payables
	(Note 7)	(Note 6)	(Note 13)
	VND	VND	VND
Minda Industries Limited Corporate	-	-	745,305,037
Minda Industries Limited - Manesar	-	-	4,734,167,631
PT Minda Asean Automotive	-	126,633,283	2,686,595,393
PT Minda Trading	-	996,000,591	-
Minda Industries Limited - Pune	-	144,168,525	2,224,212,531
Minda Industries Limited - Rinder Division	-	-	16,127,698
Minda Infrastructure LLP	2,329,958,067	-	-
	2,329,958,067	1,266,802,399	10,406,408,290

Related parties	Accrual VND	Receivables VND	31 March 2022 Payables VND
Minda Industries Limited Corporate	491,941,948	-	-
Minda Industries Limited - Manesar	1,784,453,305	-	5,671,360,004
PT Minda Asean Automotive	-	194,927,603	8,194,062,108
PT Minda Trading	-	1,891,451,360	-
Minda Industries Limited - Pune	-	236,916,950	223,731,891
Minda Industries Limited - Rinder Division	-	-	214,224,354
Minda Industries Limited - Light	-	-	142,186,994
	2,276,395,253	2,323,295,913	14,445,565,351

29. Directors' remuneration

During the year, members of the Board of Directors and other key management personnel received total remuneration as follows:

	For the year ended 31 March 2023 VND	For the year ended 31 March 2022 VND
Salary	2,165,063,674	1,969,561,367

30. Commitments

Operating leases

As at 31 March, the Company was committed under non-cancellable operating lease agreements for in the following amounts:

	31 March 2023 VND	31 March 2022 VND
Within the next year	55,343,978	535,164,518
Within two (2) to five (5) years	395,839,642	390,440,294
Over five (5) years	2,894,577,379	2,952,704,726
	3,345,760,999	3,878,309,538

31. Comparative figures

The financial statements for the current year cover the year ended 31 March 2023. The corresponding amounts in the balance sheet, statements of income and cash flows and related notes to the financial statements are brought forward from the financial statements as at 31 March 2022 and for the year then ended which were audited.

32. Subsequent events

No significant events have occurred since the reporting date which would impact on the financial position of the Company as disclosed in the Balance Sheet as at 31 March 2023 or on the result of its operation and its cash flows for the period then ended.

33. Authorisation of financial statements

The financial statements were approved by the Board of Directors and authorised for issue.

Vinh Phuc, Vietnam
9 June 2023

Mahanand Mohanrao Shelke
General Director


Nguyen Thi Nhu Ngoc
Preparer/Chief Accountant

